

Second Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 12-0948.01 Jennifer Berman x3286

SENATE BILL 12-178

SENATE SPONSORSHIP

Giron,

HOUSE SPONSORSHIP

Swerdfefer,

Senate Committees
Judiciary

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE REMOVAL OF ENHANCED CREDITS FOR PURCHASE OF**
102 **IN-STATE ELIGIBLE ENERGY RESOURCES FROM THE RENEWABLE**
103 **ENERGY STANDARD.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

The bill removes from the renewable energy standard in-state preferences with respect to:

- ! Wholesale distributed generation;
- ! The one and one-quarter kilowatt-hour multiplier for each

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

- ! kilowatt-hour of electricity generated from eligible energy resources other than retail distributed generation;
- ! The one and one-half kilowatt-hour multiplier for community-based projects; and
- ! Policies to provide incentives to qualifying retail utilities to invest in eligible energy resources.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 40-2-124, **amend** (1)
3 introductory portion, (1) (a) (VI), (1) (c) (III), (1) (c) (VI) introductory
4 portion, and (1) (f) introductory portion as follows:

5 **40-2-124. Renewable energy standard - definitions - net**
6 **metering - legislative declaration.** (1) Each provider of retail electric
7 service in the state of Colorado, other than municipally owned utilities
8 that serve forty thousand customers or fewer, ~~shall be considered~~ IS a
9 qualifying retail utility. Each qualifying retail utility, with the exception
10 of cooperative electric associations that have voted to exempt themselves
11 from commission jurisdiction pursuant to section 40-9.5-104 and
12 municipally owned utilities, ~~shall be~~ IS subject to the rules established
13 under this article by the commission. No additional regulatory authority
14 ~~of IS PROVIDED TO~~ the commission, other than that specifically contained
15 in this section, ~~is provided or implied.~~ In accordance with article 4 of title
16 24, C.R.S., the commission shall revise or clarify existing rules to
17 establish the following:

18 (a) Definitions of eligible energy resources that can be used to
19 meet the standards. "Eligible energy resources" means recycled energy
20 and renewable energy resources. The commission shall determine,
21 following an evidentiary hearing, the extent to which such electric
22 generation technologies utilized in an optional pricing program may be

1 used to comply with this standard. A fuel cell using hydrogen derived
2 from an eligible energy resource is also an eligible electric generation
3 technology. Fossil and nuclear fuels and their derivatives are not eligible
4 energy resources. For purposes of this section:

5 (VI) "Wholesale distributed generation" means a renewable
6 energy resource ~~in Colorado~~ with a nameplate rating of thirty megawatts
7 or less and that does not qualify as retail distributed generation.

8 (c) Electric resource standards:

9 (III) Each kilowatt-hour of electricity generated from eligible
10 energy resources, ~~in Colorado~~, other than retail distributed generation
11 ~~shall be counted~~ AND ELIGIBLE ENERGY RESOURCES BEGINNING
12 OPERATION ON OR AFTER JANUARY 1, 2015, COUNTS as one and
13 one-quarter kilowatt-hours for the purposes of compliance with this
14 standard.

15 (VI) Each kilowatt-hour of electricity generated from eligible
16 energy resources at a community-based project shall be counted as one
17 and one-half kilowatt-hours. For purposes of this subparagraph (VI),
18 "community-based project" means a project: ~~located in Colorado~~:

19 (f) Policies for the recovery of costs incurred with respect to these
20 standards for qualifying retail utilities that are subject to rate regulation
21 by the commission. These policies ~~shall~~ MUST provide incentives to
22 qualifying retail utilities to invest in eligible energy resources. ~~in the state~~
23 ~~of Colorado. Such~~ THE policies ~~shall~~ MUST include:

24 **SECTION 2. Safety clause.** The general assembly hereby finds,
25 determines, and declares that this act is necessary for the immediate
26 preservation of the public peace, health, and safety.